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March 14, 2001

VIA HAND DELIVERY

The Honorable Karen L. Suter
Commissioner of Banking and Insurance
State of New Jersey
20 West State Street
Trenton, NJ 08625-0320

Dear Commissioner Suter:

On December 15, 2000, the Board of Directors (the "Board") of The Prudential Insurance Company of America (the "Company") unanimously adopted a Plan of Reorganization, as subsequently amended and restated as of December 15, 2000 (the "Plan"), that provides for the conversion of the Company from a mutual life insurance company to a stock life insurance company in accordance with the requirements of Chapter 17C of Title 17 of the New Jersey Revised Statutes.

By this letter, the Company applies pursuant to Section 17:17C-4 of the New Jersey Revised Statutes for the approval and permission of the Commissioner of Banking and Insurance of the State of New Jersey (the "Commissioner") to reorganize as a stock life insurance company pursuant to the Plan.

In accordance with subsection a. of Section 17:17C-4, this application includes the following materials:

1. The Plan, including the exhibits and schedules thereto (Index Items 1.2 through 1.16 contained in the accompanying Binder 1), which includes:
 - (a) an explanation of the manner and basis upon which the reorganization shall occur;
 - (b) the method of allocation of the consideration to be distributed to policyholders, including the Actuarial Certification of Daniel J. McCarthy as to the

reasonableness and appropriateness of the methodology used to allocate consideration among eligible policyholders (*see* Exhibits F and K to Plan); and

- (c) the method by which the dividend expectations of policyholders will be preserved, including the plan of operation of the closed block and the Actuarial Certification of Daniel J. McCarthy as to the reasonableness and sufficiency of the assets allocated to the closed block (*see* Exhibits G, H and K to Plan).
2. The opinion of J.P. Morgan Securities Inc., addressed to the Board, that the provision of common stock, cash and policy credits upon the extinguishment of the policyholders' membership interests pursuant to the Plan is fair from a financial point of view to eligible policyholders, as a group. (Index Item 1.19 contained in the accompanying Binder 1)
 3. Certification by the Secretary of the Company that the Board unanimously adopted the Plan. (Index Item 1.17 contained in the accompanying Binder 1)
 4. Certified copies of the proposed charter and by-laws of the Company following its reorganization and of Prudential Financial, Inc., the proposed ultimate holding company of the Company following its reorganization. (Index Item 1.18 contained in the accompanying Binder 1)
 5. Proposed forms of notices to policyholders and the public (Index Items 1.22 through 1.33 contained in the accompanying Binder 2), including:
 - (a) proposed form of the notice of public hearing to policyholders (Index Item 1.26);
 - (b) proposed form of publication notice (Index Item 1.27);
 - (c) proposed form of the notice of special meeting of the policyholders including the following accompanying materials (Index Item 1.28):
 - (1) letter of the Chairman of the Board to policyholders (Index Item 1.29);
 - (2) the Reply Cards (Index Item 1.25);
 - (3) Policyholders' Voting Guide (Index Item 1.24); and
 - (4) Policyholder Information Booklet, Part 1 (Index Item 1.22).

- (5) Policyholder Information Booklet, Part 2 (Index Item 1.34 to be contained in Binder 3) will be submitted at a later date.
- 6. Information provided to the Board in connection with its review and approval of the Plan (except materials that are protected by attorney-client privilege). (Index Items 1.35 through 1.39 contained in accompanying Binders 4 through 8)

A complete index of the items included in this application is included as Index Item 1.1 in the accompanying Binder 1.

The Company is also submitting this day under a separate cover letter (1) the actuarial memoranda of Milliman & Robertson, Inc. accompanying the Actuarial Certifications (Index Item 1.15 contained in the accompanying Binder 1) and (2) the business plan for the Company following reorganization including five-year financial projections. The actuarial memoranda, business plan and financial projections are a part of this application but are to be accorded confidential treatment pursuant to subsection d.(4) of Section 17:17C-3 and subsection c. of Section 17:17C-4 of the New Jersey Revised Statutes and, as provided by said statutes, are not subject to public inspection or copying pursuant to the New Jersey Right to Know Law (New Jersey Revised Statutes 47:1A-1 et seq.).

Pursuant to the Plan, upon the Plan's becoming effective, common stock of Prudential Financial, Inc. will be distributed to certain Eligible Policyholders (as defined in the Plan) in exchange for their Membership Interests (as defined in the Plan). Please be advised that Prudential Financial, Inc. and the Company intend to rely, with respect to said distribution of stock, upon the exemption from registration under the Securities Act of 1933, as amended, provided by Section 3(a)(10) thereunder, based upon the findings that the Commissioner shall make pursuant to subsection f. of Section 17:17C-4 of the New Jersey Revised Statutes in order to approve this application following the public hearing required by said Section 17:17C-4.

We look forward to the Commissioner's determination, pursuant to subsection b. of Section 17:17C-4, that this application is complete and that the forms of notice included herewith as Index Items 1.22 through 1.34 are adequate and may be provided to policyholders.

All communications in connection with this application, including the questions or comments of the Commissioner and the staff of the New Jersey Department of Banking and Insurance may have, should be directed to Suzanne Marquard, Vice President and Corporate Counsel, The Prudential Insurance Company of America, 751 Broad Street, Newark, New Jersey 07102, telephone: 973-802-4706, facsimile: 973-802-2393.

We have enclosed with this submission a duplicate copy of this letter. Please

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date-stamp the enclosed copy as an acknowledgment of receipt of this application.

Respectfully submitted,

Suzanne T. Marquard

cc (w/enc.): R. Neil Vance, Managing Actuary, New Jersey Department of Banking and Insurance
Mitchell Newmark, Esq., New Jersey Division of Law
Charles Carroll, Ernst & Young
Constance Foster, Esq., Saul, Ewing, Remick & Saul, LLP
Thomas Mulhare, Arthur Andersen
Frederick Townsend, The Townsend & Schupp Company
Grace Vandecruze, Fox-Pitt, Kelton Inc.
Susan Blount, Esq., The Prudential Insurance Company of America
Steven Schreiber, Milliman & Robertson
Andrew S. Rowen, Esq., Sullivan & Cromwell
Cynthia Shoss, Esq., LeBoeuf, Lamb, Greene & MacRae, L.L.P.

cc (w/o enc.): Mark Grier, The Prudential Insurance Company of America
John Liftin, Esq., The Prudential Insurance Company of America
Priscilla Myers, The Prudential Insurance Company of America
Bonnie McAreavy, The Prudential Insurance Company of America
Edward Jordanich, The Prudential Insurance Company of America
Michael Haley, The Prudential Insurance Company of America